

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	CSHB 193(L&C)
Fiscal Note Number:	3
(H) Publish Date:	5/7/2025

Identifier: HB193-DOLWD-UI-04-18-25
 Title: UNEMPLOYMENT BENEFITS; PAID PARENT LEAVE
 Sponsor: HALL
 Requester: (H) L&C

Department: Department of Labor and Workforce Development
 Appropriation: Employment and Training Services
 Allocation: Unemployment Insurance
 OMB Component Number: 2276

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates				
			FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
OPERATING EXPENDITURES	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Personal Services	379.5		379.5	379.5	379.5	379.5	379.5
Travel							
Services	1,027.4		291.4	291.4	291.4	291.4	291.4
Commodities	8.2		1.2	1.2	8.2	1.2	1.2
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	1,415.1	0.0	672.1	672.1	679.1	672.1	672.1

Fund Source (Operating Only)

1252 DGF Temp (DGF)	1,415.1		672.1	672.1	679.1	672.1	672.1
Total	1,415.1	0.0	672.1	672.1	679.1	672.1	672.1

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1252 DGF Temp (DGF)	15,000.0		15,000.0	15,000.0	15,000.0	15,000.0	15,000.0
Total	15,000.0	0.0	15,000.0	15,000.0	15,000.0	15,000.0	15,000.0

Estimated SUPPLEMENTAL (FY2025) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2026) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? Yes
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/25

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	Employment and Training Services	Date:	04/18/2025
Approved By:	Dan DeBartolo, Director of Administrative Services	Date:	04/18/25
Agency:	Department of Labor & Workforce Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

Analysis

This legislation establishes an Alaska Paid Parental Leave Program; increases Alaska's Unemployment Insurance (UI) maximum weekly benefit amount (MBA); prevents interest charges on child support obligations if paid parental leave is withheld to satisfy obligations; and creates a new parental leave fund account.

Revenue into the new parental leave fund comes from the diversion of employee contributions to the unemployment insurance system equivalent to 0.15 percent of taxable wages. Per the department's UI Actuarial Economist, with wages where they are right now this would equate to \$15 million in revenue to the new fund. This revenue would be collected by UI Tax and will be deposited into the new parental leave fund instead of the UI Trust Fund. It is a federal requirement that each benefitting program contribute to the costs associated with the activities that benefit that program. The department has a federally approved cost allocation method for the UI Tax collection activities that was used to estimate the ongoing cost to the parental leave fund.

This legislation may also require the UI Tax to submit to the parental leave fund contributions from self-employed individuals that elect into the program. UI Tax does not currently collect taxes for these individuals and regulation changes will be needed to address methods of accounting, collection, overpayment refunds, etc. for these self-employed individuals. This will also require one-time programmer services costs for adjustments to UI Tax information technology systems.

Personal services: \$379.5 annually starting in FY2026.

- This is comparable to existing staff levels used to receive other revenue sources collected by UI Tax and comprises a portion of the time from existing staff: 13 tax staff for general collection, one Field Auditor 1, and two Accounting Technician 2 positions.

Services: \$1,128.8 in FY2026; \$291.4 in FY2027 and future years.

\$16.0 in FY2026 one-time costs for modifying existing system for employment already subject to UI Tax. To include:

- Planning/Requirements Gathering/Design: estimated 40 hours, total cost of \$4.0;
- Developer Costs estimated to require just under 80 hours, total cost of \$8.0; and
- Testing/Remediation/Production Implementation: estimated 80 hours, total cost of \$4.0.

\$715.0 in FY2026 for one-time costs associated with adjusting existing information technology systems to track self-employed Alaskans and potential employer/employees that are not subject to UI.

- Planning/Requirements Gathering/Design: estimated 640 hours, total cost of \$90.0;
- Developer Costs: estimated 2,400 hours, total cost of \$360.0; and
- Testing/Remediation/Production Implementation: estimated 1,760 hours, total cost of \$265.0.

\$5.0 in FY2026 for one-time costs associated with regulations adoption, including legal review, printing and postage.

\$101.4 annually beginning in FY2026 for on-going information technology maintenance costs.

\$190.0 in all fiscal years for DOLWD indirect costs and statewide core services.

Commodities: \$8.2 in FY2026 and FY2029; \$1.2 in all other fiscal years.

- \$1.2 annually for a share of UI Tax supply and equipment needs.
- \$7.0 in FY2026 and FY2029 for a share of UI Tax computer replacement costs.